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RENT LEVELS BY CITIES

A study of the charts on the increase in rents in various cities, found on the following pages, shows a continuation of the gradual increases in the last five years. Using these data, however, it is impossible to compare rent levels between cities. For example, the rent index for Portland, Oregon, and Houston, Texas, shows rents in both cities are about 138 percent of their 1947-49 average level. This does not mean that rents in Portland and Houston are equal. It means that rents increased by the same percentage of their average in 1947-49. Rent levels in the two cities could have been far different in 1947-49, and since the trends in both cities were the same, the average rent levels would continue to be different now. A recently published City Worker's Family Budget, compiled by the Bureau of Labor Statistics, however, provides data for such a comparison of rent levels between cities.

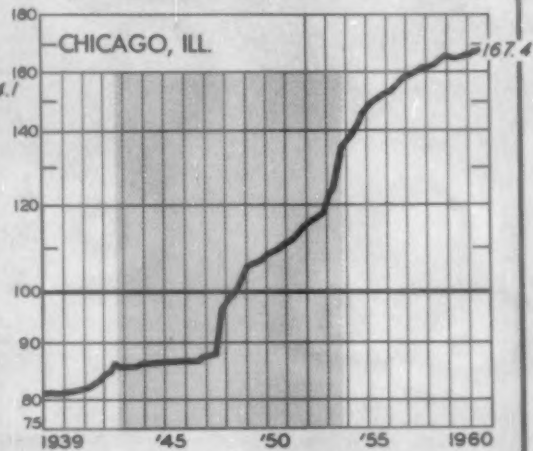
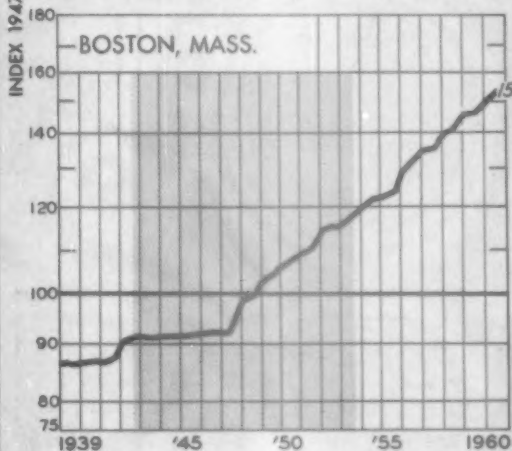
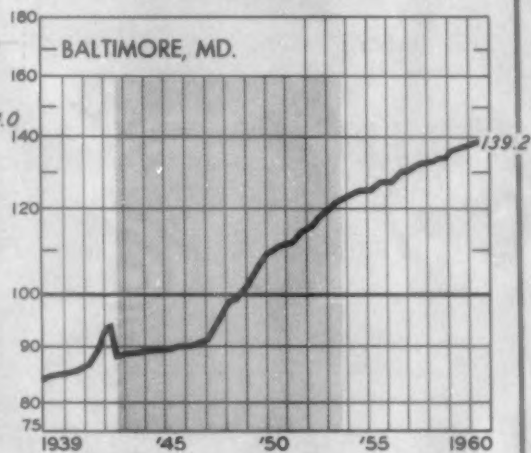
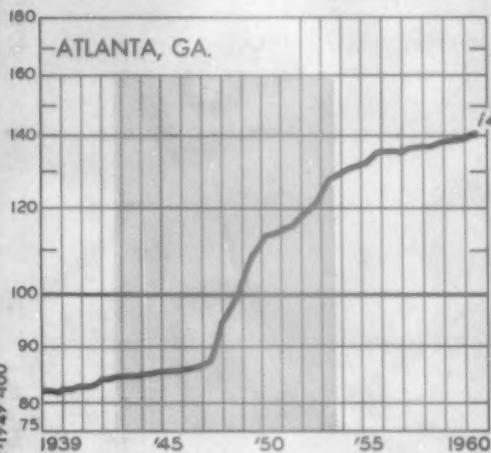
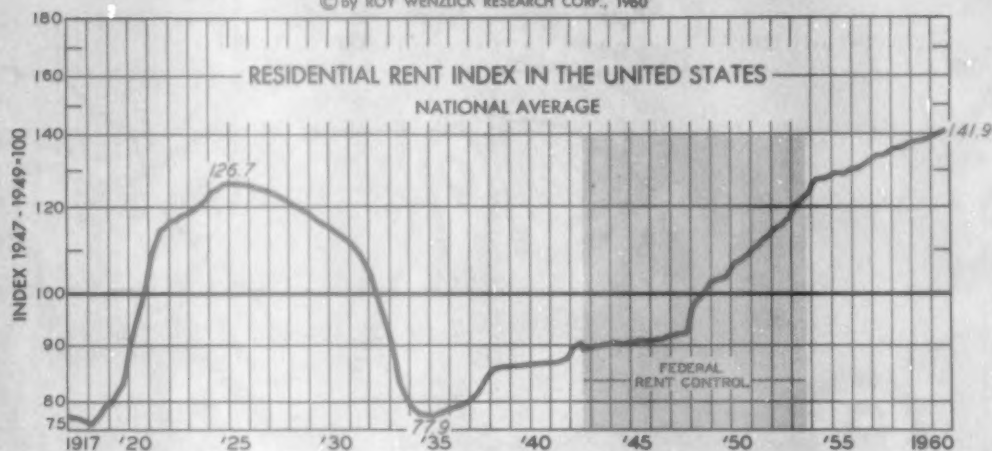
This budget is designed to show the average cost for an adequate standard of living for an average city worker's family. The budget costs come out considerably less than the average incomes of all families with the assumed characteristics. The family consists of an employed husband, aged 38, a wife not employed outside the home, an 8-year-old girl, and a 13-year-old boy. The total budget costs ranged from \$5,370 in Houston, Texas, to \$6,567 in Chicago, Illinois. The budget was made up for 20 large cities at autumn 1959 prices. More than half of the differences in the total cost of goods and services between cities is because of the variation in rents, heat, and utilities.

The table on page 468 lists the annual costs for rent, heat, and utilities in each of the 20 cities studied. These costs are for a five-room rented dwelling unit meeting standards established by the American Public Health Association and the U. S. Public Housing Administration. The dwelling is equipped with a range and refrigerator.

It would be better if we could separate the rent expense from the others. But these figures are not available. Thus, some of the differences in rent are due to differences in climate. It is natural that heating expenses should be higher in Minneapolis, Minnesota, and Chicago, Illinois, than in Houston, Texas, Los Angeles, California, or Atlanta, Georgia. Still, this is not the controlling reason for the differences between cities. Detroit, Michigan, for example, is a city with very cold winters. Yet its annual rent, heat, and utilities (cont. on page 468)

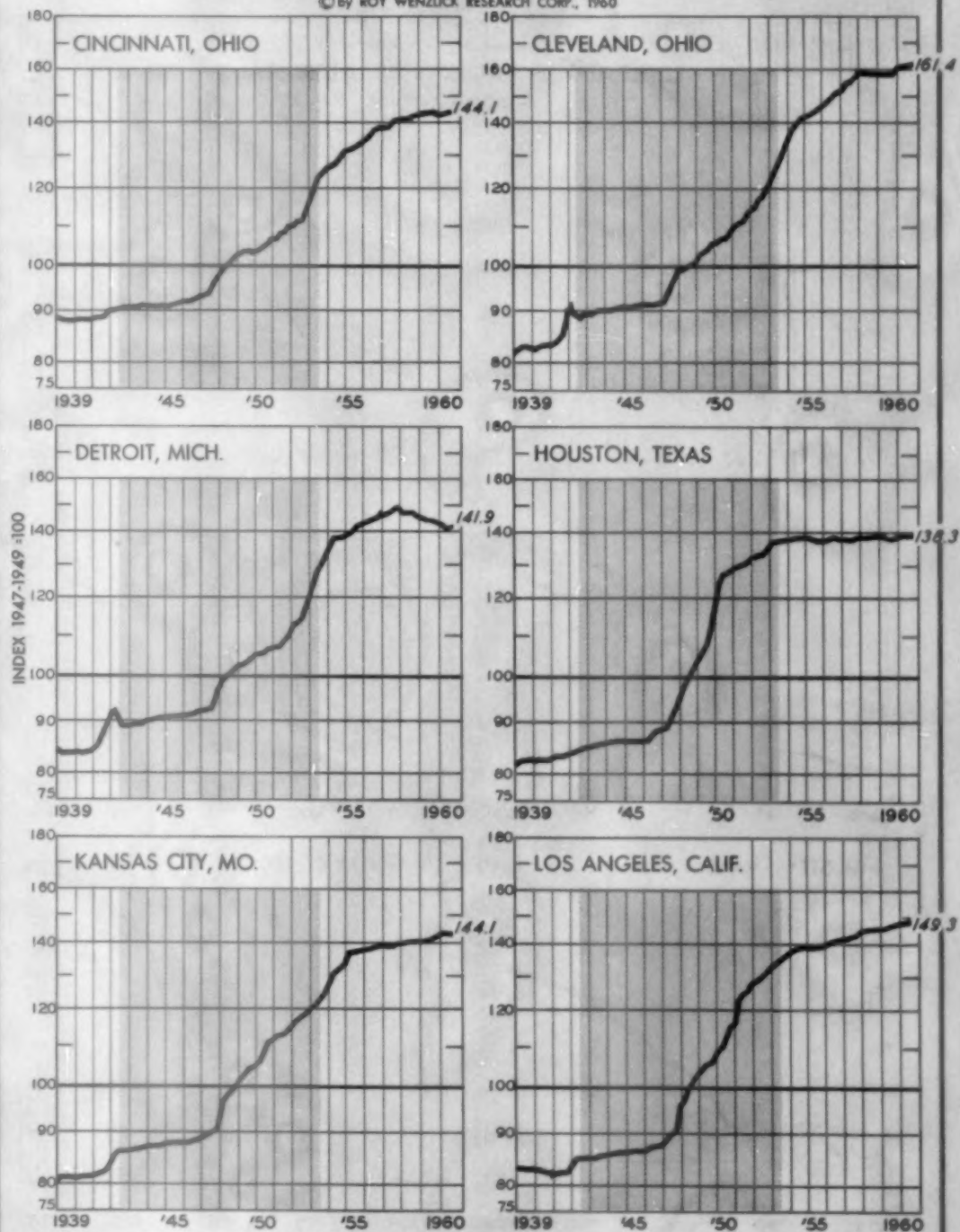
RESIDENTIAL RENTS IN SELECTED CITIES

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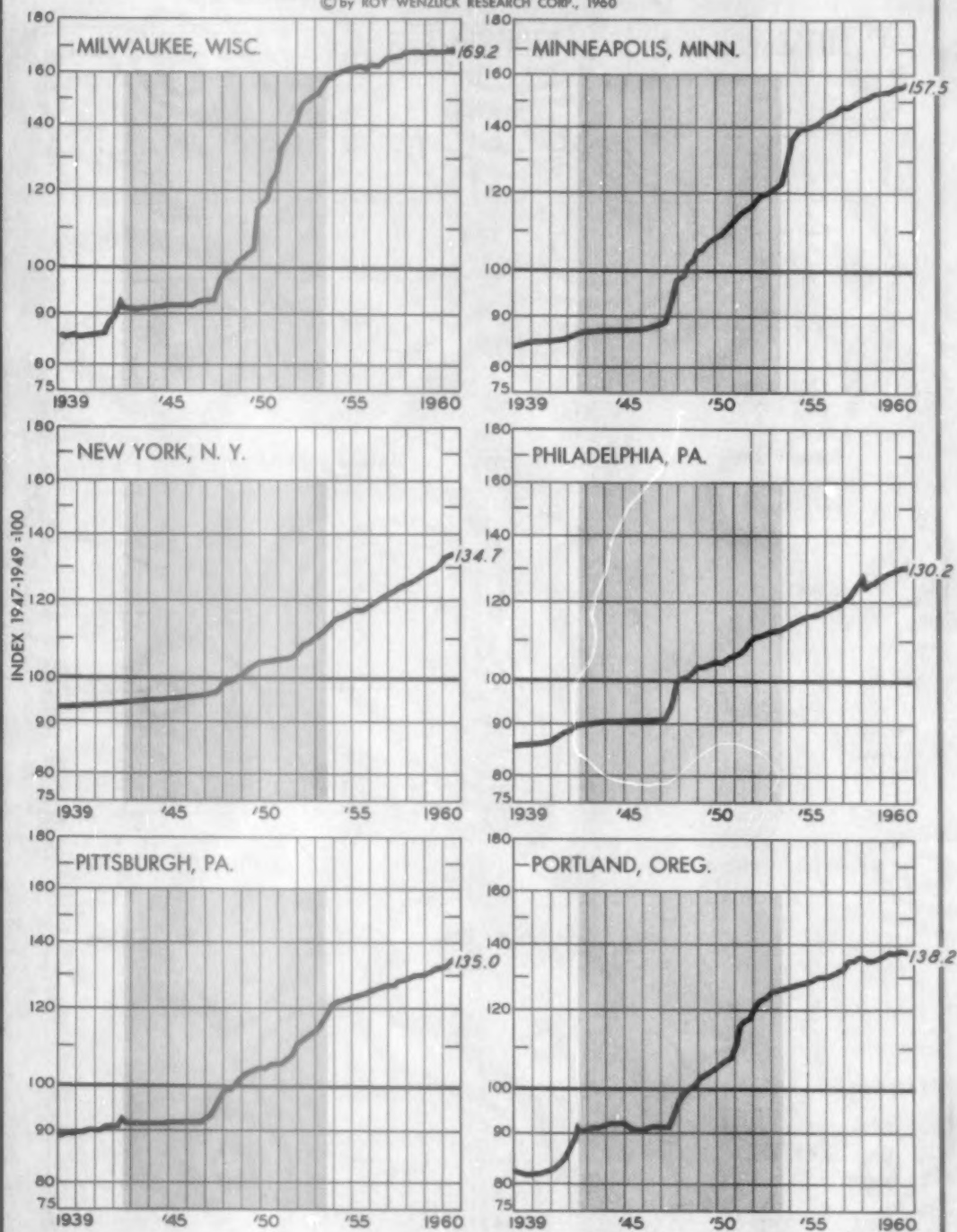
RESIDENTIAL RENTS IN SELECTED CITIES

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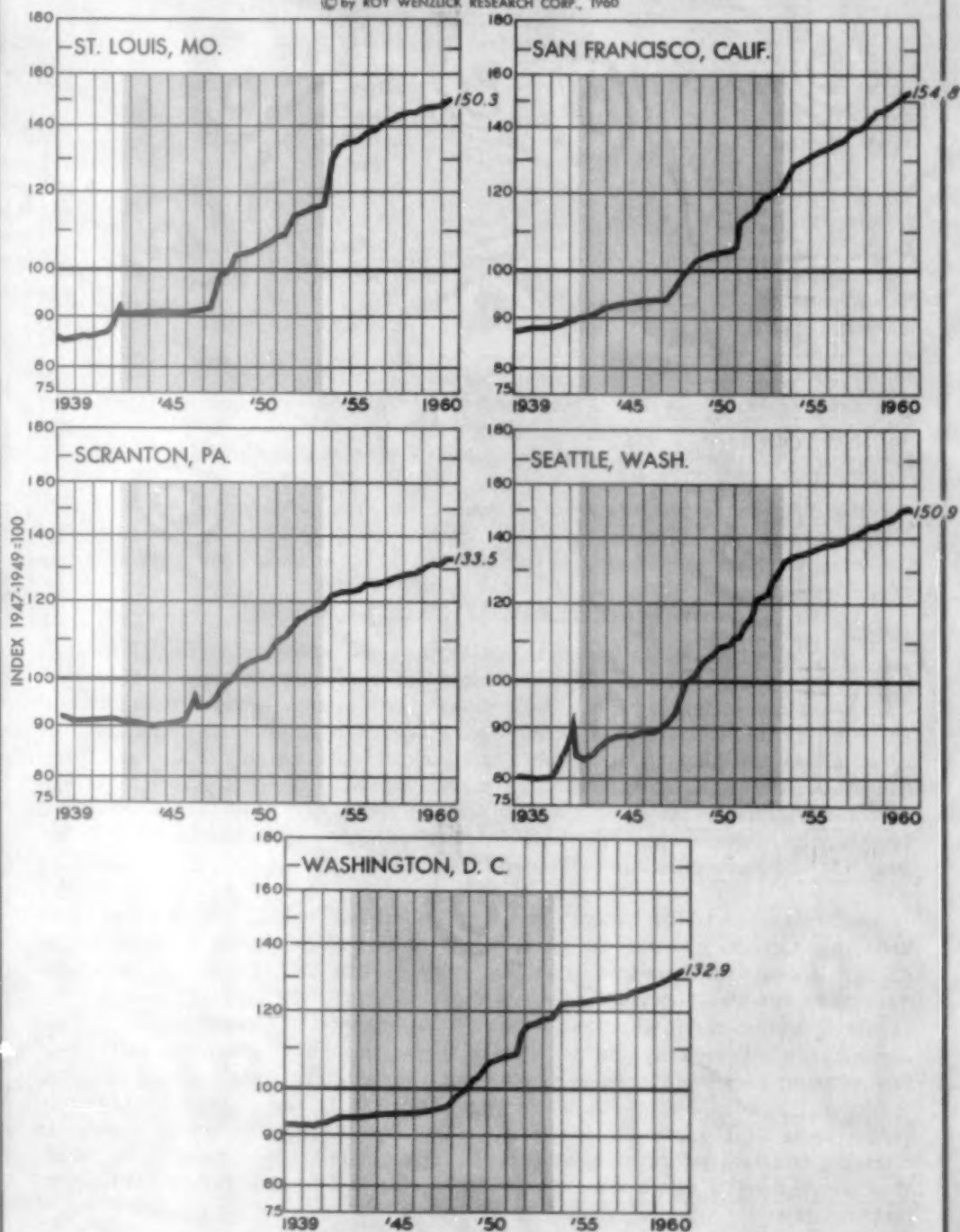
RESIDENTIAL RENTS IN SELECTED CITIES

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RESIDENTIAL RENTS IN SELECTED CITIES

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**ANNUAL RENT, HEAT, AND UTILITIES
IN THE CITY WORKER'S BUDGET - 1959
(Selected Cities)**

Scranton, Pa.	\$ 871	Minneapolis, Minn. . . .	\$1,150
Houston, Tex.	941	Atlanta, Ga.	1,151
Philadelphia, Pa.	954	Los Angeles, Calif. . . .	1,178
Baltimore, Md.	1,004	Cleveland, Ohio	1,191
Pittsburgh, Pa.	1,012	Cincinnati, Ohio	1,203
New York, N. Y.	1,013	Washington, D. C.	1,226
Detroit, Mich.	1,040	Boston, Mass.	1,240
Portland, Oreg.	1,046	Seattle, Wash.	1,293
San Francisco, Calif. . .	1,079	St. Louis, Mo.	1,298
Kansas City, Mo.	1,117	Chicago, Ill.	1,386

(cont. from page 463)

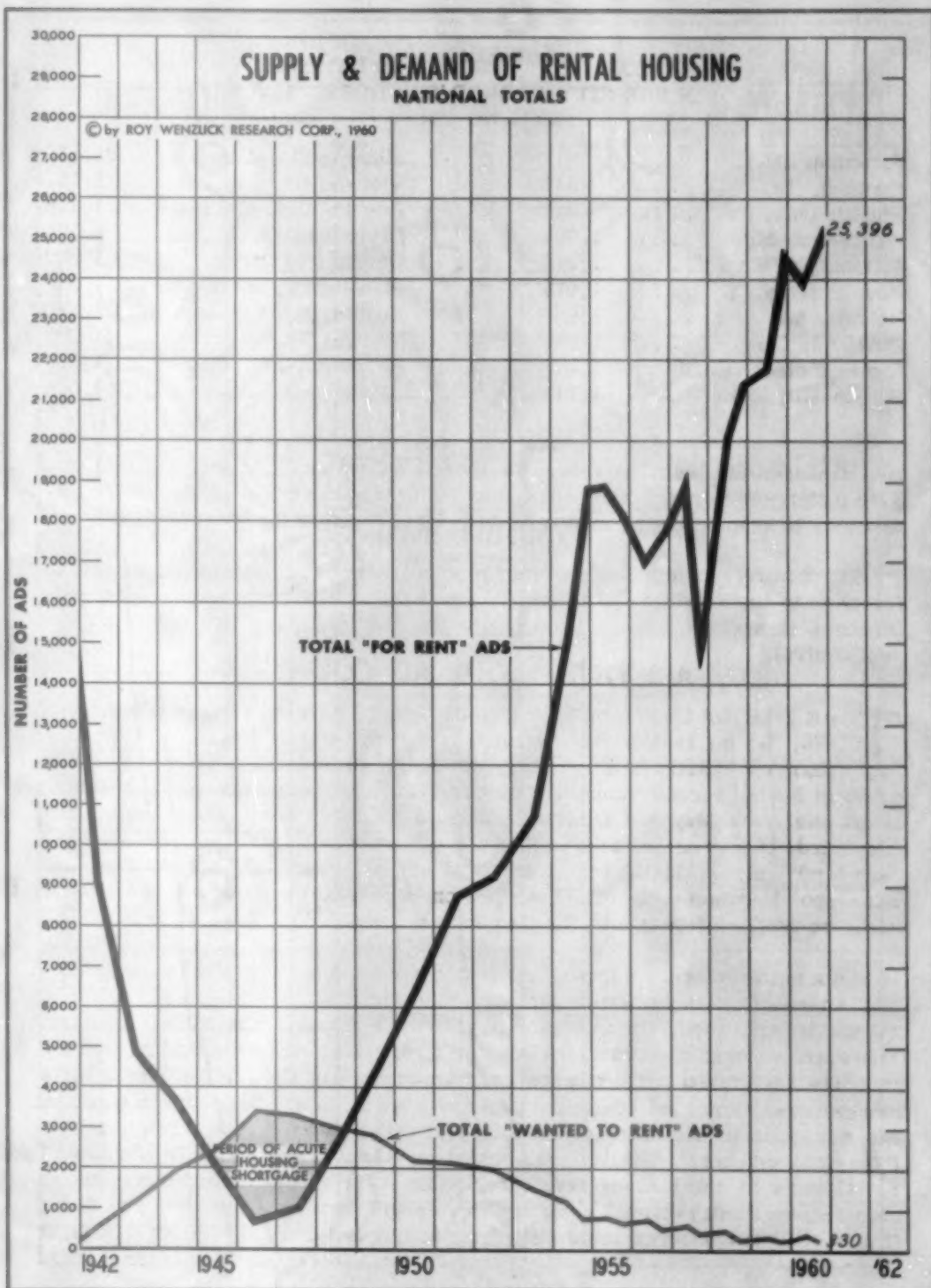
ties expenses are less than those of either Los Angeles or Atlanta. Again, the \$445 difference in rent between Houston and Chicago is not alone due to the differences in keeping the temperature up to 70° F. during the winter.

The differences in rents between these cities are mainly a reflection of differences in the condition of the rental market for five-room apartments, differences in average income levels, and the fact that New York City still has rent control.

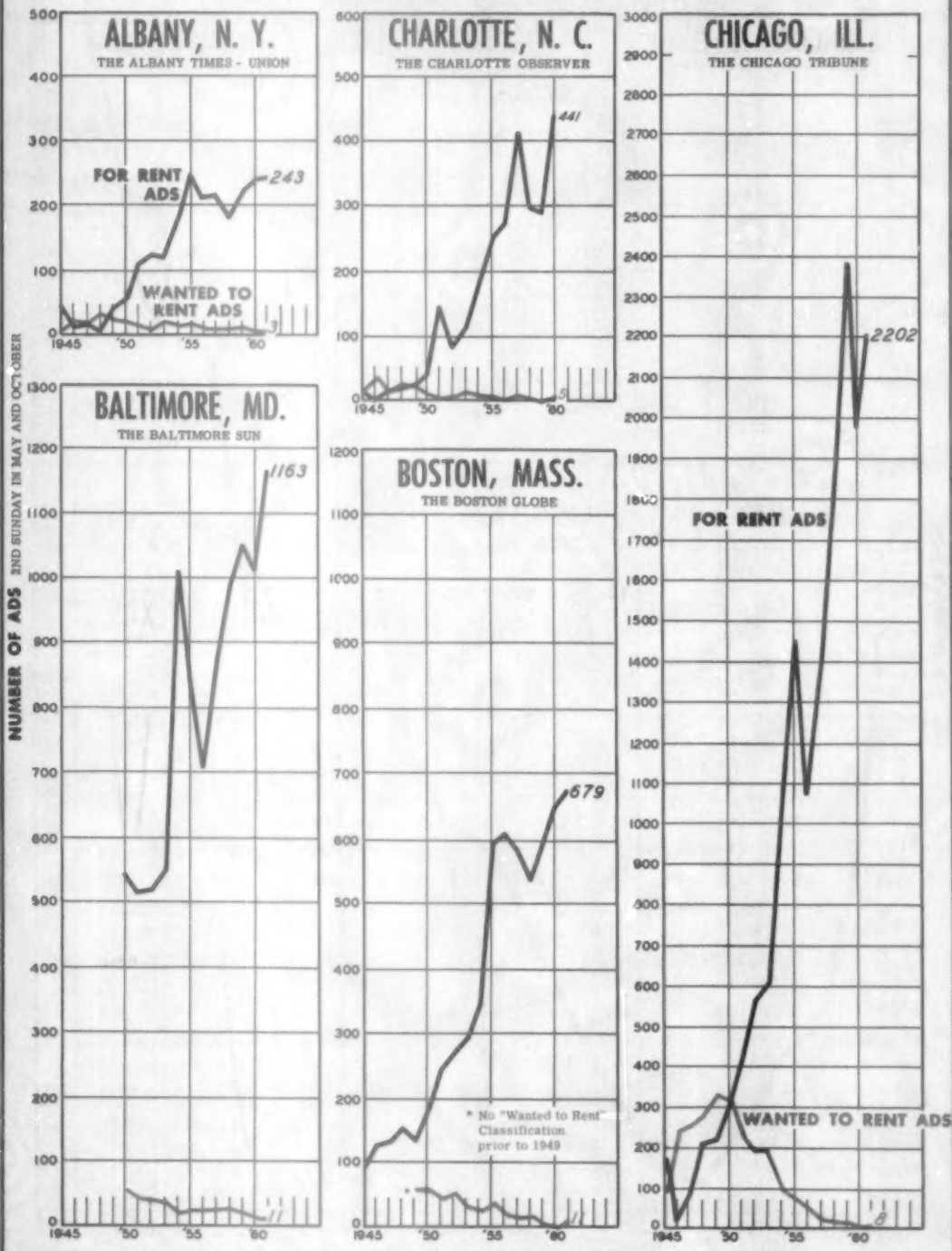
A WORD ABOUT AD COUNTS

THE actual ad counts for each city have been charted on pages 469 through 478. From 1945 to 1953 ad counts for the second Sunday of May each year are charted. Since 1953, however, we have included an additional ad count for the second Sunday of October. There are some exceptions. Monthly ad totals for May and October are used for Milwaukee, Wisconsin, and Cleveland, Ohio; ad counts from the second Saturday in April and October are used for Winnipeg, Manitoba; and annual ad totals are used for St. Paul and Minneapolis, Minnesota. The blue line on each chart represents "For Rent" ads; the red line represents "Wanted to Rent" ads.

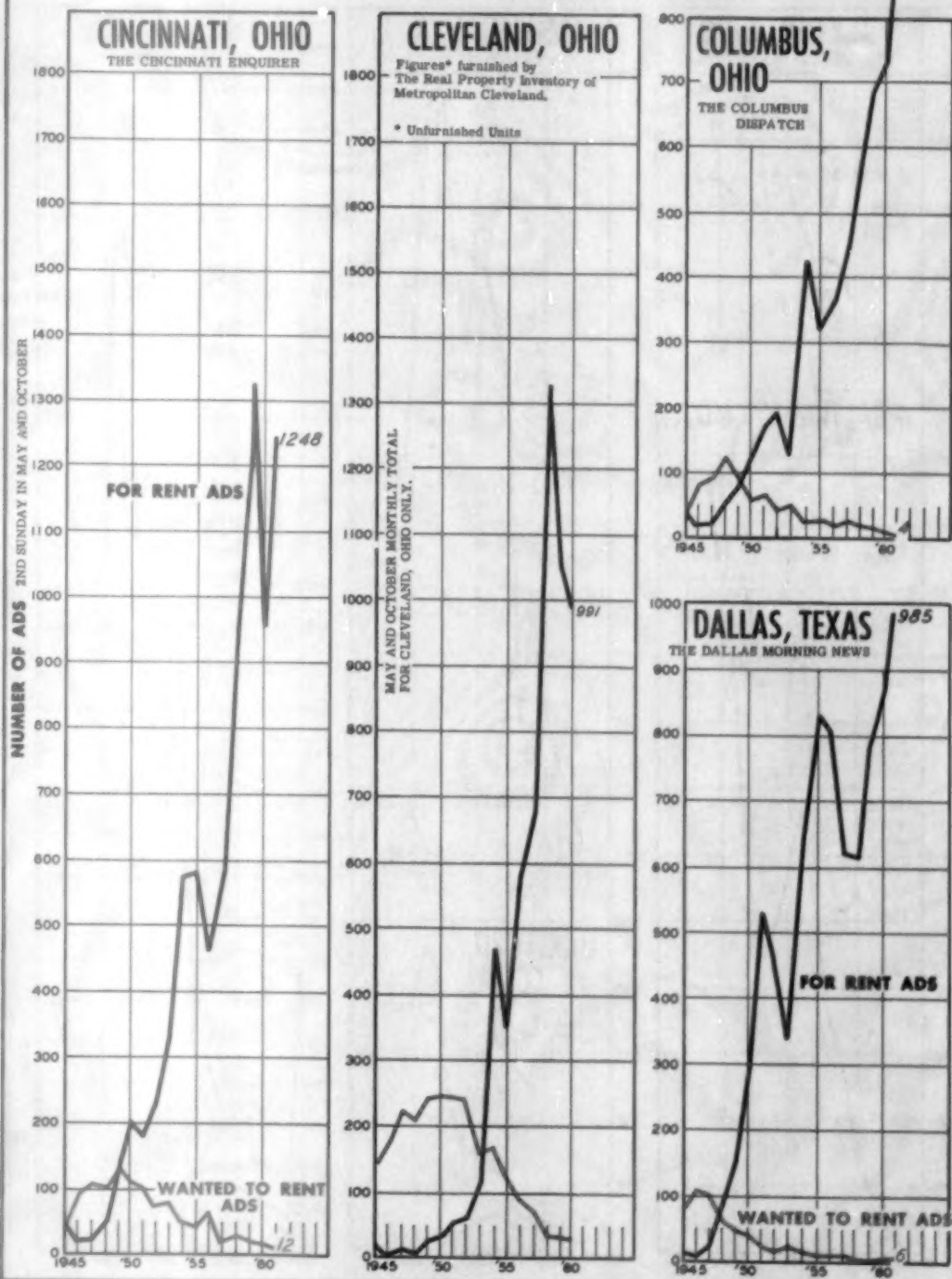
As a measure of the vacancy and supply situation in the rental housing market, an ad count is far from perfect. It is accurate insofar as direction of change is concerned, but as to the amplitude of change, it is not so accurate. There are several disadvantages. In the first place, not all units that are for rent are advertised in the newspaper. Then there is the constant merging of newspapers. Since only one newspaper is used in most cities, the merger of two newspapers may increase the ad count without any change taking place in the rental market. Finally, no account is taken of the changing number of rental units in the housing inventory. The total supply of rental housing is changing constantly through construction, conversions, and demolitions. Still, it is one of the few rough measures of the supply and demand for rental housing that we have.



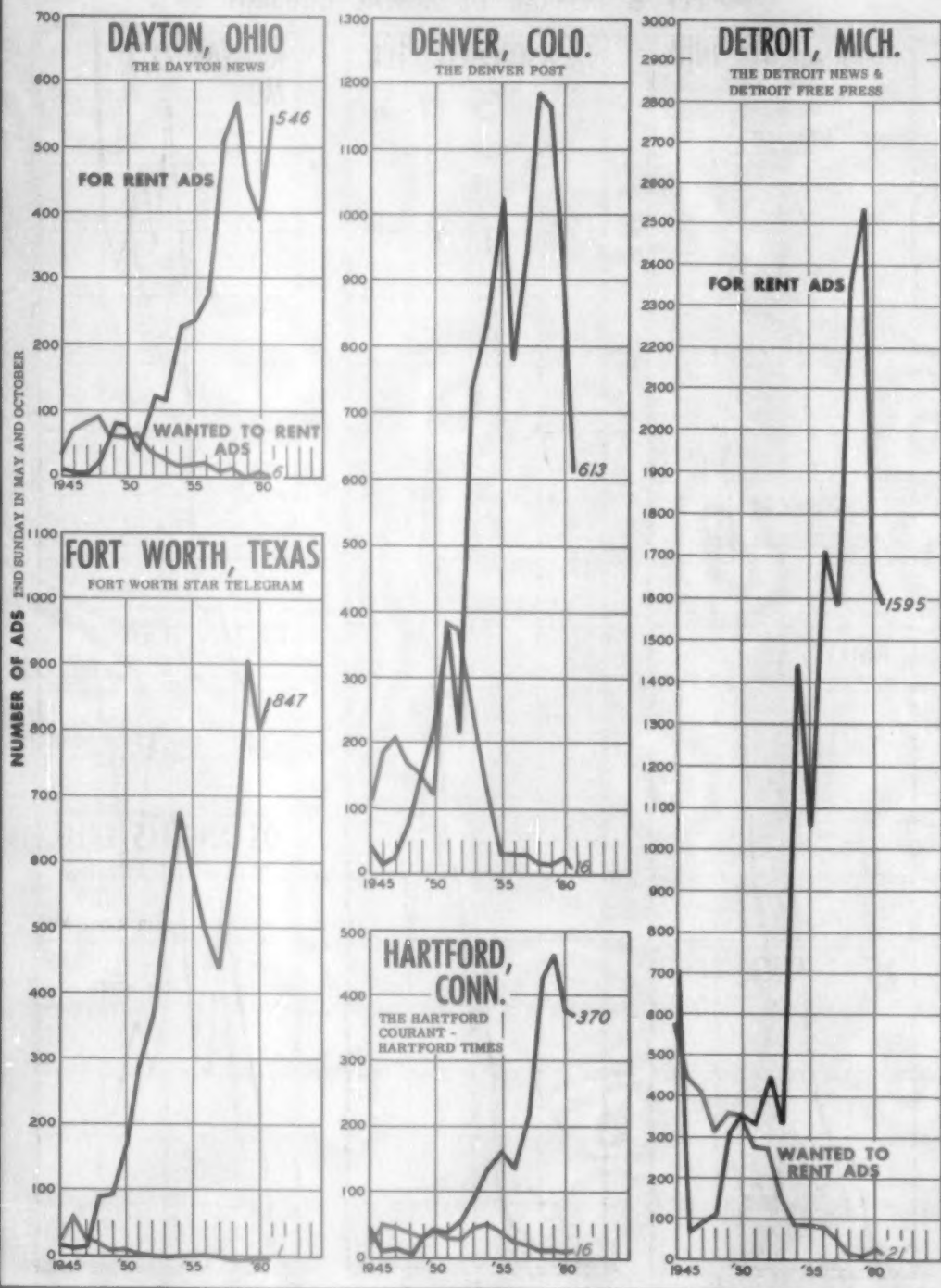
SUPPLY & DEMAND OF RENTAL HOUSING



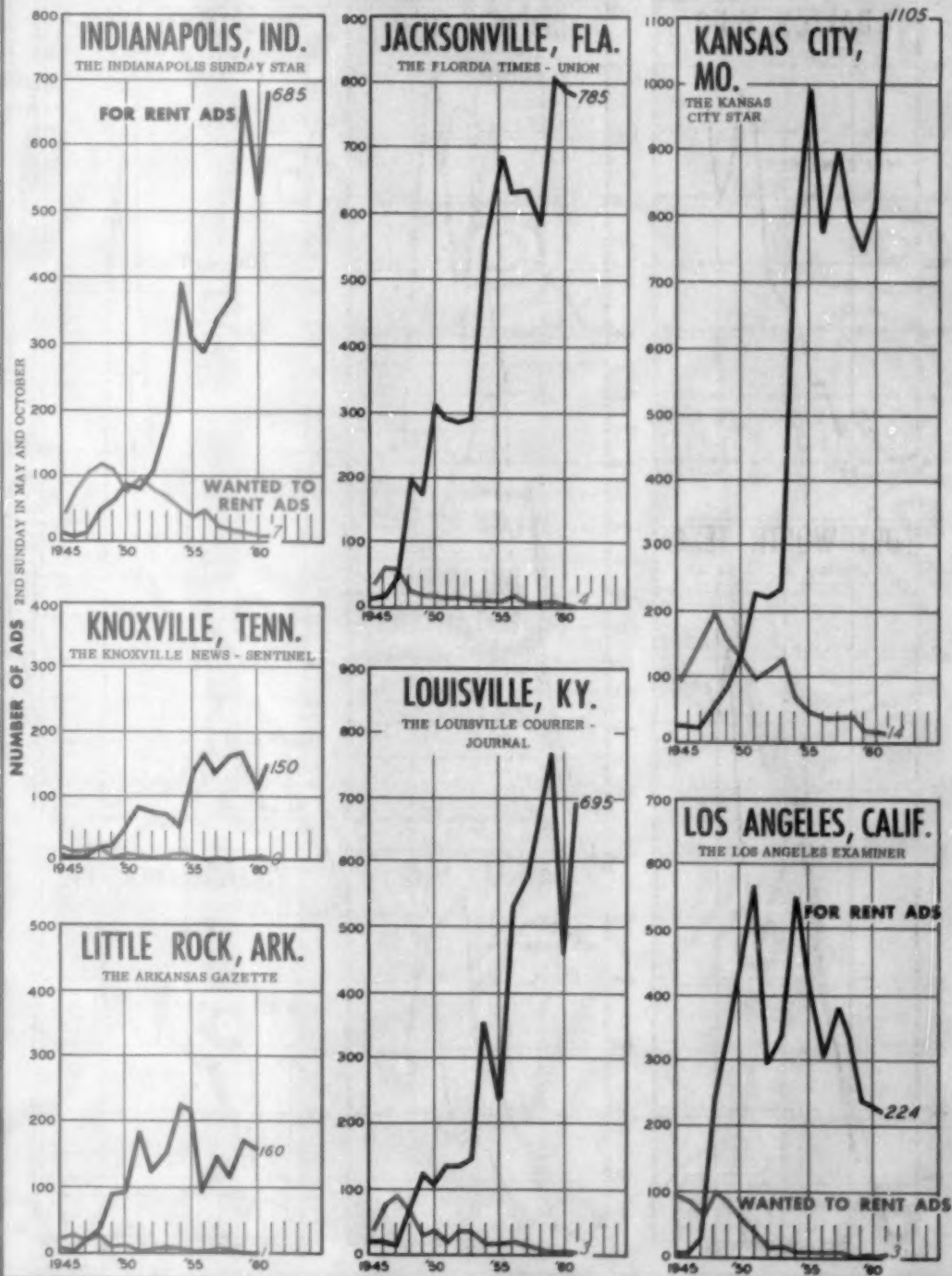
SUPPLY & DEMAND OF RENTAL HOUSING



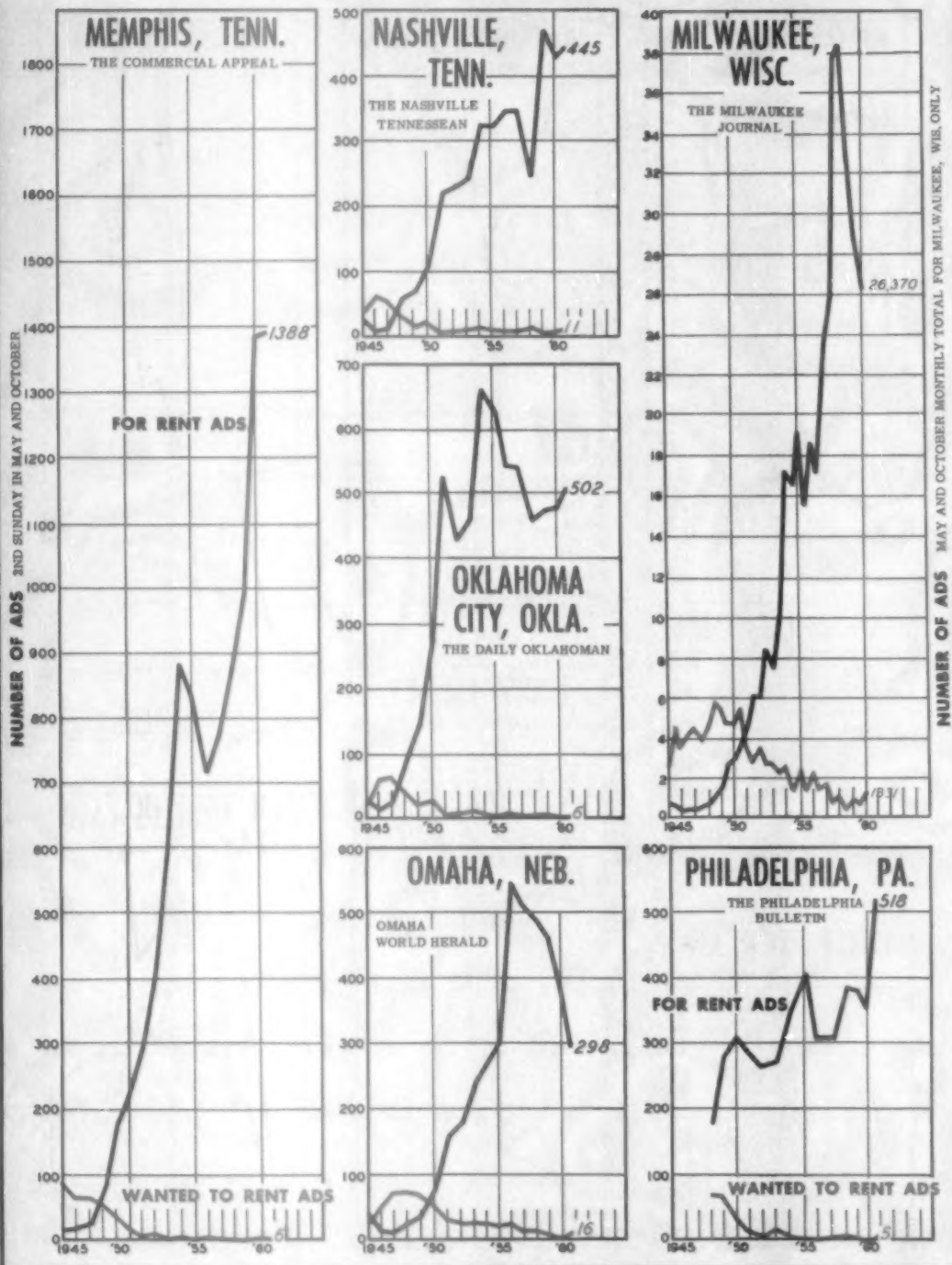
SUPPLY & DEMAND OF RENTAL HOUSING



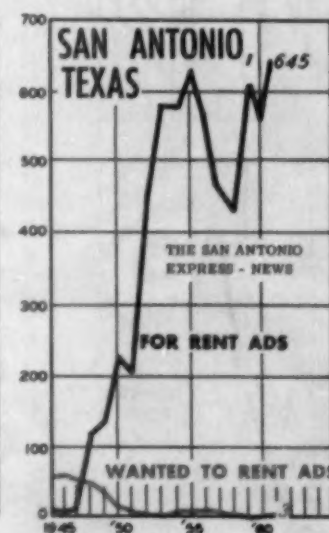
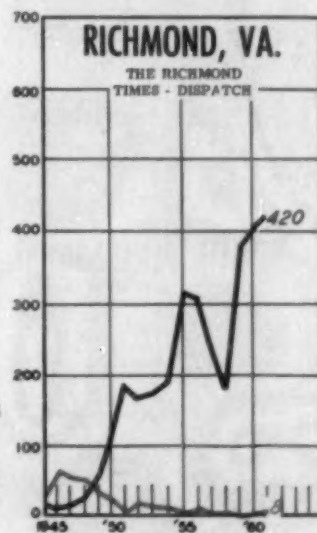
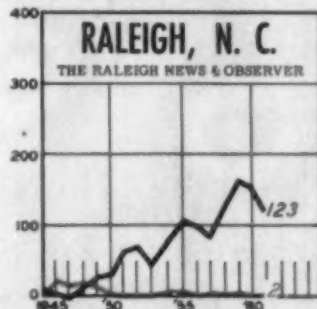
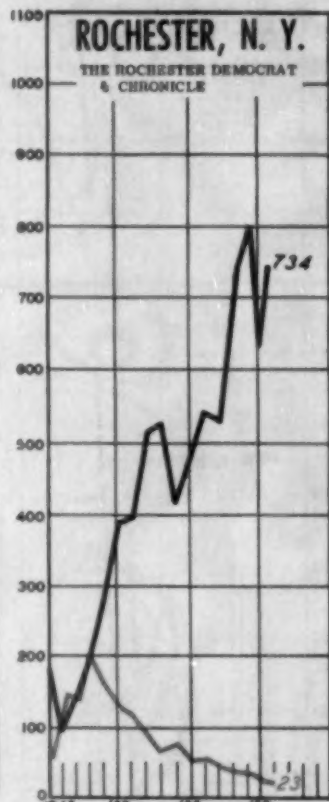
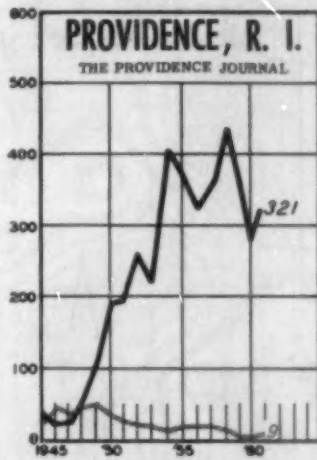
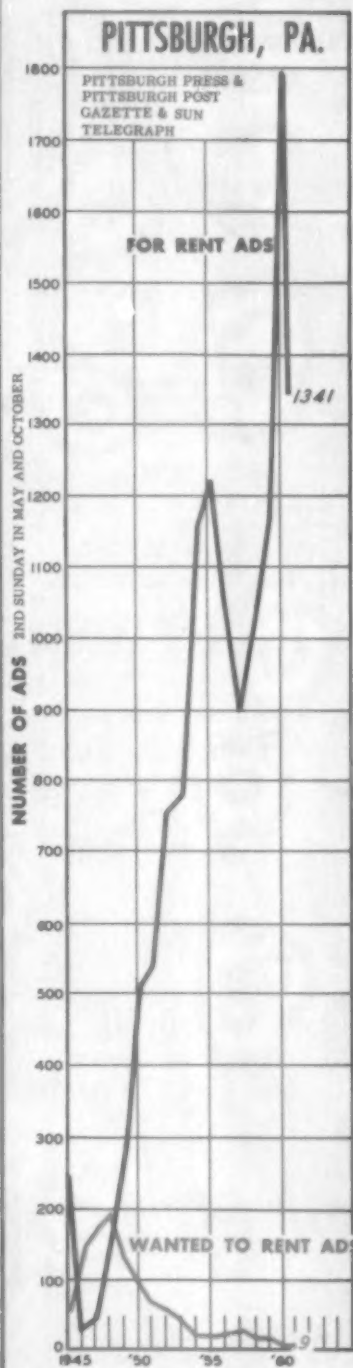
SUPPLY & DEMAND OF RENTAL HOUSING



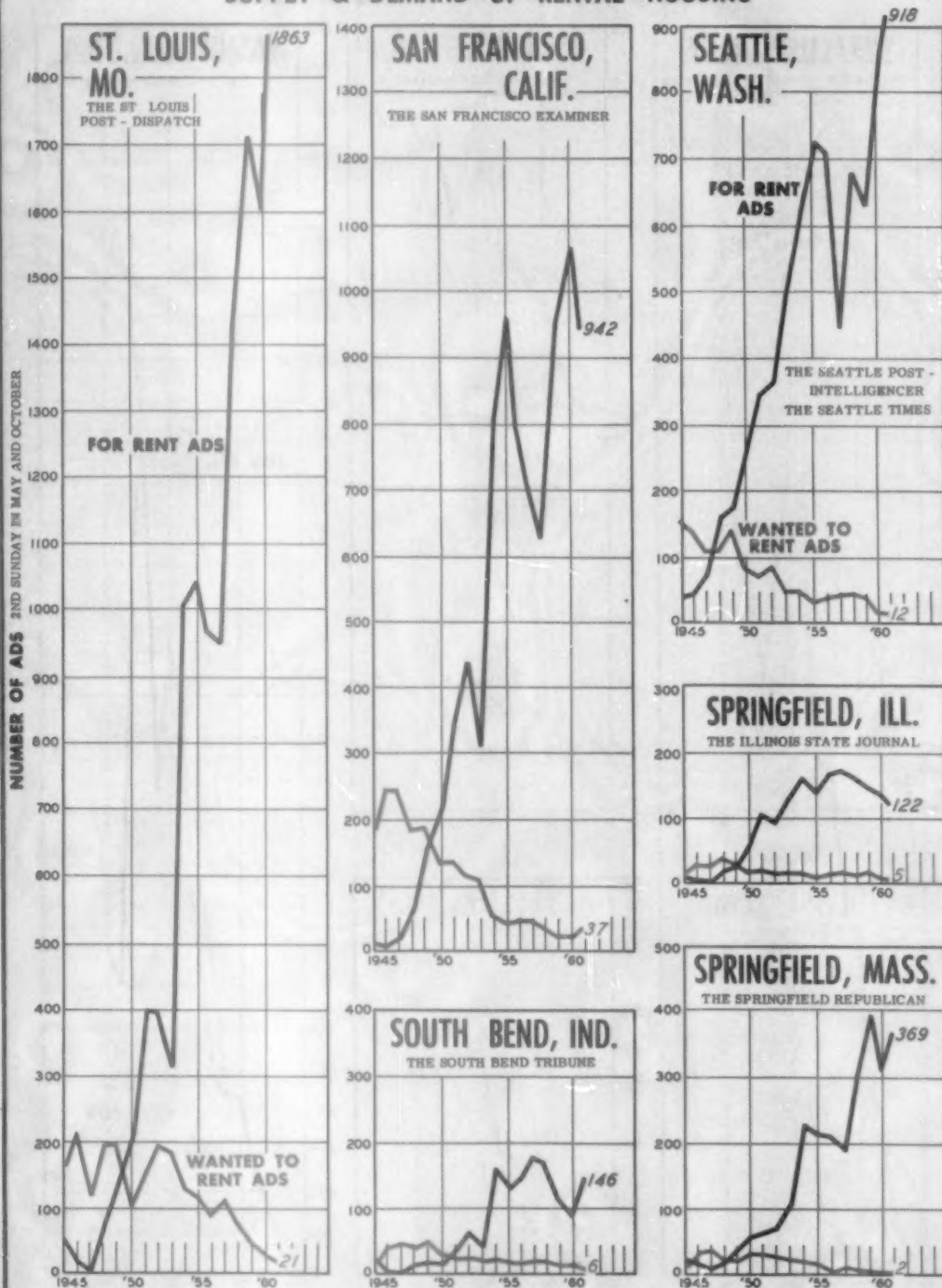
SUPPLY & DEMAND OF RENTAL HOUSING



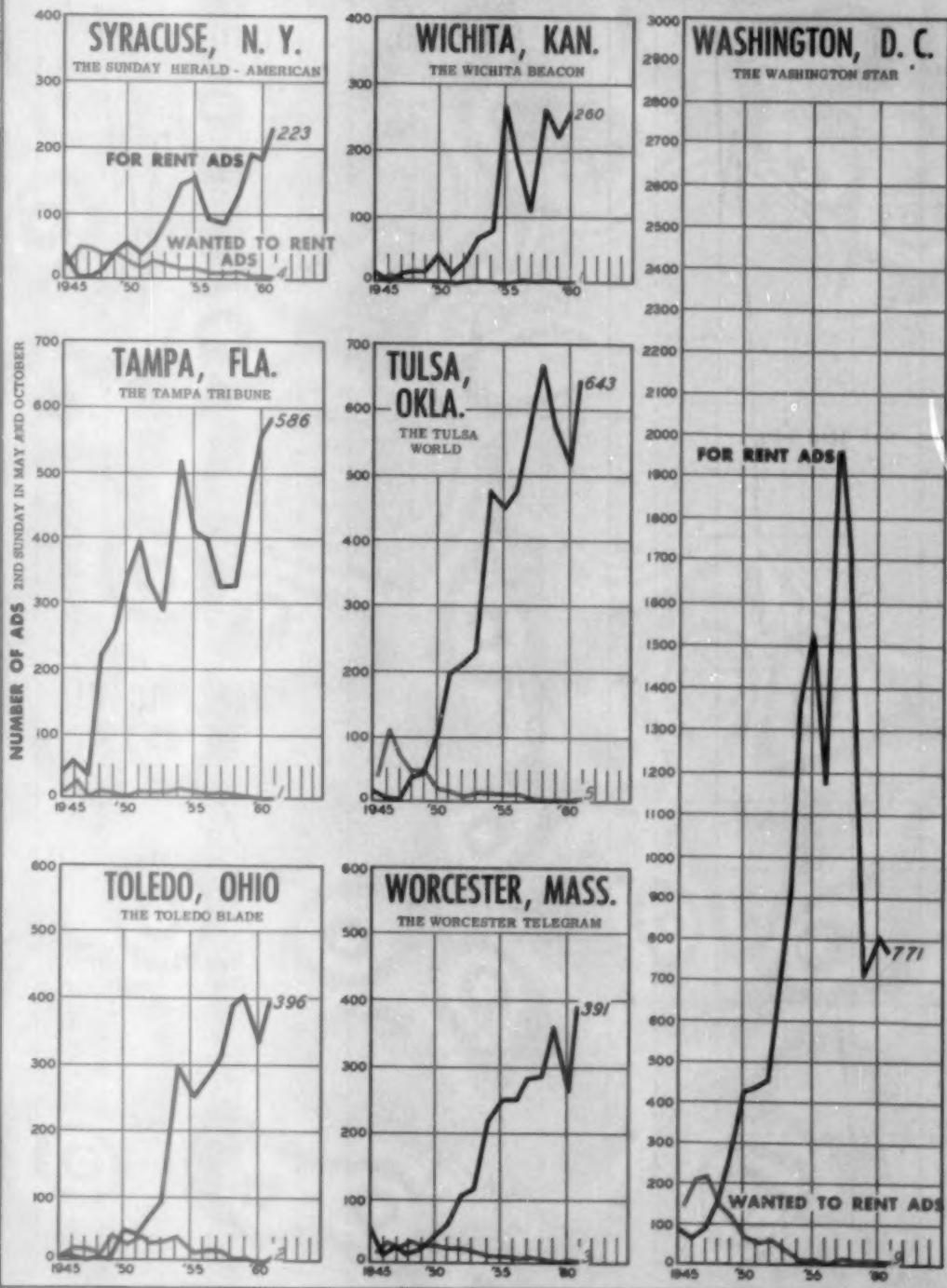
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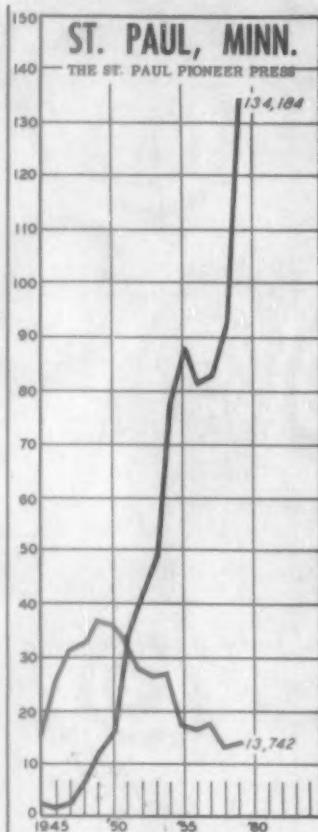
SUPPLY & DEMAND OF RENTAL HOUSING



SUPPLY & DEMAND OF RENTAL HOUSING



SUPPLY & DEMAND OF RENTAL HOUSING



YEARLY TOTAL OF ADS IN THOUSANDS

Only for Minneapolis, Minn.,
and St. Paul, Minn.

